

10-03-2001



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PATENTS ONLY

Form PTO-1595 (Rev. 03/01) OMB No. 0651-0027 (exp

REC.

U.S. Department of Commerce Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks. Please record the attached original documents or copy thereof.

1. Name of conveying party(ies): Isis Innovation Limited 9-27-01 Additional names(s) of conveying party(ies) attached?  yes  no

2. Name and address of receiving party(ies): Name: Avimo Europe Limited Internal Address: Street Address: Moorsfields, Lisieux Way City: Taunton State: Somerset Zip Code: TA1 2JZ Country: ENGLAND Additional name(s) & address(es) attached?  yes  no

3. Nature of Conveyance:  Assignment  Merger  Security Agreement  Change of Name  Other: Exclusive License Execution Date: May 31, 2001

4. Application number(s) or patent number(s): 09/410.614 If this document is being filed together with a new application, the execution date of the application is \_\_\_\_\_ A. Patent Application No(s): 09/410,614 B. Patent No(s):

Additional numbers attached?  yes  no

5. Name and address of party to whom correspondence concerning document should be mailed: Name: Sterne, Kessler, Goldstein & Fox P.L.L.C. Internal Address: c/o Donald R. Banowit (1581.0310001/LEA/DRB) Street Address: 1100 New York Ave., N.W. Suite 600 City: Washington State: D.C. Zip Code: 20005-3934

6. Total number of applications and patents involved: 1 7. Total fee (37 C.F.R. § 3.41).....\$ 40.00  Enclosed  Authorized to be charged to Deposit Account 8. Deposit Account Number: 19-0036 (Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature. To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Donald R. Banowit Name of Person Signing Signature Date 9/27/01 Registration No. 42,289

Total number of pages including cover sheet, attachments and document 12

Mail documents to be recorded with required cover sheet information to: Commissioner of Patents and Trademarks, Box Assignments Washington, D.C. 20231

DATED 30 May 2001

**(1) ISIS INNOVATION LIMITED**

**(2) AVIMO EUROPE LIMITED**

Licence of Technology

for

Three dimensional light microscopy

THIS AGREEMENT is made the 30<sup>th</sup> day of May 2001 but effective as of 30 October 1997 (hereinafter "the Effective Date")

**BETWEEN:**

- (1) **AVIMO EUROPE LIMITED** whose Registered Office is at Moorfields, Lisieux Way, Taunton, Somerset TA1 2JZ, England (hereinafter "Avimo Europe"), and
- (2) **ISIS INNOVATION LIMITED** a company registered in England (No. 02199542), whose registered office is at University Offices, Wellington Square, Oxford OX1 2JD, England (hereinafter "Isis").

**WHEREAS**

- (A) Isis is the owner of certain Technology relating to Microscopy Imaging Apparatus and a Method Thereof in respect of which it owns UK Patent Application No. 9706843.1.
- (B) Avimo Europe wishes to be granted a world-wide exclusive licence under the Patents to manufacture, sell, hire or otherwise dispose of for monetary gain commercial products incorporating said Technology.
- (C) Isis is willing to grant such a licence to Avimo Europe on terms and conditions contained in this licence.

**IT IS HEREBY AGREED** as follows:-

**1. DEFINITIONS**

Wherever used in this Agreement the following terms shall have the following meanings unless the context otherwise requires:

- "Confidential Information"** the Know-How and other related information whether written or orally disclosed by Isis to Avimo Europe pursuant to this Agreement.
- "Improvements"** all improvements, modifications or adaptations (whether patentable or not) to the Know-How which may be devised, developed or acquired by Avimo Europe or by Isis during the currency of this Agreement.
- "Intellectual Property"** all copyright, and all rights in relation to inventions, registered designs and all other rights resulting from intellectual activity in the industrial scientific literary or artistic fields.
- "Know-How"** all documentation, specifications, technical information, product designs and drawings, application technology, know-how and other technology and confidential information (regardless of whether it is marked as confidential) which exists at the date hereof and which relates exclusively to the Technology.

- "Licence Period"** the period from the Effective Date until the expiry of the Patents.
- "Patents"** (a) UK Patent Application No. 9706843.1.
- (b) all patent applications that may after the Effective Date be filed or have been filed anywhere in the world by or on behalf of Isis in respect of the Technology, including, but not limited to, International patent application no. PCT/GB98/00988 and national/regional patent applications Nos. AU 69264/98, EP 98914965.3, UK 9726485.7, UK 9922732.4, JP 542491/1998, KR 7009051/1999, US 09/410 614 and SG 9904719.3.
- (c) all patents which may be granted pursuant to any of the foregoing patent applications.
- "Products"** Any assembly or sub-assembly which incorporates the Technology.
- "Sublicensee"** any person or persons (including any body of persons corporate or unincorporate) to whom Avimo Europe grants a sublicense to enable it to manufacture, sell, hire or otherwise dispose of Products for monetary gain.
- "Technology"** components developed in the University by any of the persons named as inventors in UK Patent Application No. 9706843.1 and essential to any of the three-dimensional light microscopy techniques covered by the Patents and the Know-How which include but are not limited to the grid, grid actuator, image grabber, focus controller and software and electronics associated with their operation and processing of image data.
- "University"** The University of Oxford.
- "Year"** means any period of twelve months during the Licence Period starting on the Effective Date or an anniversary thereof.

## **2. GRANT OF RIGHTS**

~~2.1 Subject to clause 2.5 Isis hereby grants to Avimo Europe a world-wide exclusive licence to:~~

- (i) use the Technology under the Patents and the Know-How in the production, sale, leasing and other commercial exploitation of Products, and do any act which would otherwise constitute an infringement of the Patents; and
- (ii) sublicense the rights listed in (i) to Avimo Precision Instruments Inc. (formerly Amarel Inc) whose registered office is at 78 Schulyer Baldwin Drive, Fairport, New York, 14450-9196, USA (hereinafter "API") provided that Avimo Europe will inform Isis of the fact and

terms of any such sub-licence as soon as possible after the sub-licence is granted.

**2.2** Isis shall have the right to change the exclusive licence granted pursuant to Clause 2.1 to a non-exclusive licence upon written notice to Avimo Europe in the event that Avimo Europe does not make royalty payments as follows:

**2.2.1** at least [REDACTED] by the end of the second Year;

**2.2.2** at least [REDACTED] during the third Year;

**2.2.3** at least [REDACTED] during the fourth Year and during each subsequent Year

**2.3** The parties agree to execute any formal licence agreements in such form as may be required by Avimo Europe as may be necessary to protect or register the licence granted in Clause 2.1. Isis agrees to execute any formal documents that may be reasonably necessary to register the sub-licence referred to in Clause 2.1

**2.4** Avimo Europe will not assign the Licence but may grant sub-licences, and may disclose to Sublicensees such of the Technology as is necessary for the exercise of the rights sub-licensed. Unless Isis grants prior consent in writing, no sub-licence will carry any right to sub-sub-licence: such consent will not be withheld or delayed unreasonably. Immediately following the grant of each sub-licence and sub-sub-licence, Avimo Europe will forward to Isis in writing a note of the name and address of the Sublicensee or sub-sublicensee, a description of the technology sub-licensed and its intended applications, and confirmation of the duration of the sub-licence or sub-sub-licence. By controlling the wording of its contracts with Sublicensees, Avimo Europe will ensure that obligations and conditions matching those recorded in this Agreement, and sufficient to protect the security of the Technology, the intellectual property rights in the Technology and the Know-How, and the interests of Isis and the University, are imposed on every Sublicensee and sub-sublicensee; and that in no circumstances do the terms of any sub-licence or sub-sub-licence in force from time to time conflict with the terms of this Agreement.

**2.5** Notwithstanding the terms of Clause 2.1 Isis shall be entitled at any time during the currency of this Agreement to permit the University to use the Patents, the Technology and the Know-How for purposes of research and development.

### **3. PAYMENTS**

**3.1** Avimo Europe shall pay Isis:

**3.1.1** an irrecoverable licence issue fee of [REDACTED] upon signature of this Agreement; and

3.1.2 a royalty of [REDACTED]

3.2 All payments due under this Agreement shall be made in sterling to Isis. Any necessary currency conversions shall be made at the rate of exchange quoted by Barclays Bank plc on the last business day of the period to which such payments relate.

3.3 Avimo Europe shall pay any Value Added Tax or similar tax on all payments due under this Agreement.

3.4 All payments herein under shall be made without deduction other than such amount (if any) as Avimo Europe is required to deduct or withhold by law. In regard to any such deduction borne by Isis, Avimo Europe shall use all its reasonable endeavours to enable or assist Isis to claim exemption therefrom. Proper evidence as to the payment of tax and of any sum withheld shall be given by Avimo Europe as required.

3.5 Interest shall be payable on any amount payable under this Agreement not paid on the due date. The rate of interest shall be 4% (four per cent) per annum above the base rate of Barclays Bank plc on the due date and interest shall be calculated from the due date until the date of payment. The date of payment shall be the date such amount is received by Isis. In the event that the base rate of Barclays Bank should not be available for any reason the base rate shall be that of any other United Kingdom clearing bank nominated by Isis.

**4. RECORDS AND REPORTS**

4.1 Avimo Europe shall:

4.1.1 keep true and accurate records containing all data necessary for the determination of fees and royalties payable under Clause 3.1;



**5.2.2** any employee, agent, sub-contractor or other representative of Avimo Europe; or

**5.2.3** any other person or company with the prior written permission of Isis to the extent only as is necessary for the purposes contemplated by such disclosure or as required by law and subject in each case to Avimo Europe using its best endeavours (including in relation to disclosures made in accordance with clause 5.2.3, procuring an appropriate and enforceable Confidentiality Agreement with such person or company) to ensure that the person or company or body in question keeps the same confidential and does not use the same except for the purposes for which the disclosure is made.

**5.3** The confidentiality obligations in Clause 5.1 shall not apply to Confidential Information:

**5.3.1** if the Confidential Information is or becomes generally available to the public through no act or default of Avimo Europe; or

**5.3.2** if the Confidential Information is at any time after the date of disclosure disclosed to Avimo Europe without any obligation of confidence by a third party who has not derived it directly or indirectly from Isis.

## **6. IMPROVEMENTS**

**6.1** The parties agree and acknowledge that all Improvements and Intellectual Property rights in respect of Improvements shall be owned and vested in the party which makes or acquires such Improvements.

**6.2** Isis hereby agrees to make available to Avimo Europe all Improvements which are made or acquired by Isis during the currency of this Agreement and such Improvements shall form part of the Know-How licensed hereinunder.

**6.3** Avimo Europe hereby agrees to make available to Isis all Improvements which are made or acquired by Avimo Europe during the currency of this Agreement and to license such Improvements free of charge to Isis for use in accordance with clause 2.5 above.

## **7. PATENTS**

**7.1** Isis shall use all its reasonable endeavours, in consultation with Avimo Europe, to prosecute the Patents so as to secure the broadest monopoly reasonably obtainable and shall maintain all patents granted in force for the full time thereof, always providing that the costs of prosecuting such patent applications and maintaining granted patents are borne by Avimo Europe in accordance with Clause 7.2. Shortly before 4 April 1998 Isis will prepare and file a PCT application for the UK Patent Application No. 9706843.1 designating at least the United States, Europe and Japan.



- 7.2** All costs incurred by Isis in connection with filing, prosecution and maintenance of the Patents shall be borne by Avimo Europe. Isis shall submit invoices for such costs from time to time with supporting evidence to Avimo Europe which shall pay such invoices within 30 (thirty) days of receipt thereof. Avimo Europe shall have the option of directly appointing its own patent advisors for filing, prosecution and maintenance of the Patents, in which case all costs shall be borne directly by Avimo Europe and all correspondence concerning the Patents shall be copied to Isis. The exercise by Avimo Europe of this option shall not affect the ownership of the Patents by Isis nor Isis' right to participate in decisions on patent strategy. In particular, Avimo Europe will not cease prosecution of any of the Patents or any claim of any of the Patents, either in respect of a particular territory or altogether, without first consulting Isis and giving Isis reasonable opportunity (which shall not be less than six months from the date Isis receives notice of the opportunity) to take over the prosecution in question.
- 7.3** If Avimo Europe becomes aware of a suspected infringement by a third party of any of the patents, it shall notify Isis giving full particulars thereof. If the alleged infringement consists of any act which (if done by Avimo Europe) would be within the scope of the licences granted under this Agreement, Isis shall endeavour (so far as it is free to do so) to provide Avimo Europe with whatever relevant information Isis has in relation to the suspected infringement and Isis and Avimo Europe shall (within a reasonable time of said notification) consult together with a view to agreeing upon a course to be pursued. In the absence of such agreement Avimo Europe may at its own cost take all legitimate steps to halt such infringement and in the event of damages being awarded in any such case, Avimo Europe shall pay to Isis a sum representing 10% (ten per cent) of such damages after deduction of all costs and expenses including legal costs incurred by Avimo Europe in halting such infringement which are not reimbursed to Avimo Europe.

## **8. TECHNOLOGY SUPPORT TO AVIMO EUROPE**

- 8.1** In the event that Avimo Europe requires the services of Isis and the Scanning Microscopy Group led by Professor Tony Wilson of the University of Oxford (the "Group") in resolving any problems which Avimo Europe may have in incorporating the Technology into the Products, Isis will use all reasonable endeavours to make these personnel, including Professor Wilson, available to Avimo Europe at no cost to Avimo Europe for a total number of working hours not to exceed 80 (eighty) of their time for the initial 12 (twelve) months following the Effective Date.
- 8.2** If services are required by Avimo Europe from the personnel of the Group beyond this limit of 80 (eighty) hours and beyond this initial period of 12 (twelve) months, these may be provided subject to agreement of the individuals concerned and the University at an hourly consultancy rate to be agreed between Avimo Europe and the University. If the services also require the use of consumables or access to equipment not available to the Group, with the agreement of API these will be procured by the Group at

the expense of API. If the services require one or more of the personnel of the Group to visit the United States, API will pay for the associated airfare, other travel and accommodation costs.

## **9. INDEMNITY**

- 9.1** To the best of the knowledge of Isis the use of the Technology will not infringe the rights of any third party but Isis makes no representation or warranty to that effect.
- 9.2** Avimo Europe shall indemnify Isis and the University against all liabilities, damages, costs and expenses of whatever nature incurred by Isis or the University as a result of claims by third parties against Isis or the University arising out of the use of the Technology in any way by Avimo Europe or API or any Sublicensee unless such claims arose as a result of the negligence of Isis or the University. Avimo Europe shall maintain in force during the currency of the Agreement and for 12 (twelve) months thereafter adequate product liability insurance covering the Product and its use and supply and shall provide evidence of such insurance to Isis on request.

## **10. TERM AND TERMINATION**

- 10.1** This Agreement shall come into force on the Effective Date and unless terminated earlier in accordance with the following provisions of this Clause shall expire at the end of the Licence Period.
- 10.2** Avimo Europe shall be entitled to terminate this Agreement at any time on giving Isis not less than 12 (twelve) month's notice in writing. In the event of Avimo Europe giving such notice, Isis shall be entitled to negotiate a licence or licences for the Product world-wide with third parties during the period of such notice.
- 10.3** Isis shall be entitled forthwith to terminate this Agreement if:
- 10.3.1** Avimo Europe commits any breach of any of the provisions of this Agreement and, in case of a breach capable of remedy, fails to remedy the same within 30 (thirty) days after receipt of a written notice giving full particulars of the breach and requiring it to be remedied; or
  - 10.3.2** an encumbrancer takes into possession or a receiver is appointed over any of the property or assets of Avimo Europe; or
  - 10.3.3** Avimo Europe becomes insolvent or bankrupt or enters into voluntary arrangement for the protection of its creditors; or
  - 10.3.4** Avimo Europe goes into liquidation; or
  - 10.3.5** a petition is presented for the appointment of an administrator in relation to the company; or

**10.3.6** Avimo Europe ceases or threatens to cease to carry on business.

## **11. EFFECT OF TERMINATION**

**11.1** Any termination of the Agreement (howsoever occasioned) shall not affect any accrued rights or liabilities of any party nor shall it affect the coming into force or the continuance in force of any provision hereof which is expressly or by implication to come into force on or after such termination.

**11.2** Upon termination of this Agreement for any reason:-

**11.2.1** any sub-licences granted prior to termination shall continue in force;

**11.2.2** the provisions of Clauses 3 and 4 shall continue to apply until Avimo Europe has settled all obligations to Isis thereunder;

**11.2.3** Avimo Europe shall continue to be bound by the provisions of Clause 6.

## **12. ASSIGNMENT**

**12.1** Avimo Europe shall not assign, mortgage, charge or otherwise dispose any of its rights and obligations hereunder without the prior written consent of Isis, such consent not to be withheld or delayed unreasonably.

**12.2** Notwithstanding Clause 12.1 Avimo Europe shall be entitled to sub-contract the manufacture of the Products and components of the Products.

## **13. GOVERNING LAW**

This Agreement shall be governed by and construed in accordance with the laws of England and shall be subject to the jurisdiction of the English Courts sitting in England.

## **14. NOTICES**

All notices and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to be given 7 (seven) days after they are sent by facsimile followed by registered mail to the parties as follows:

To: For the attention of the Managing Director

Avimo Europe Limited  
Lisieux Way  
Taunton  
Somerset TA1 2JZ  
England

To: For the attention of the Managing Director

Isis Innovation Limited  
Ewert House  
Ewert Place  
Summertown  
Oxford X2 7SG  
England

Facsimile: +44 (0)1865 280831

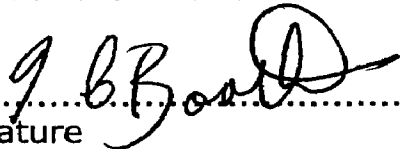
or other such addresses and facsimile number as each party may designate from time to time in the manner described above.

**15. ENTIRE AGREEMENT**

This Agreement supersedes any and all agreements, contracts or offers outstanding, whether written or oral, between Avimo Europe and Isis with respect to the subject matter hereof. This Agreement represents the total understanding between the parties with respect to the subject matter hereof and may not be modified except by an instrument in writing signed by the duly authorised representatives of the parties. The parties recognise and agree that the University shall benefit from this Agreement, and may enforce its terms, following the Contracts (Rights of Third Parties) Act 1999.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the Effective Date

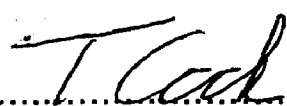
Signed for and on behalf of  
**AVIMO EUROPE LIMITED**

  
.....  
Signature

*Ian Clark Booth*  
.....  
Name

*Group Managing Director*  
.....  
Position

Signed for and on behalf of  
**ISIS INNOVATION LIMITED**

  
.....  
Signature

**Dr. T. Cook**  
.....  
Name  
**Managing Director**  
**ISIS Innovation Ltd**

.....  
Position